SENATE BILL REPORT SB 5036

As of February 7, 2005

Title: An act relating to authorization for projects recommended by the public works board.

Brief Description: Authorizing projects recommended by the public works board.

Sponsors: Senators Fraser, Zarelli, Regala and Spanel; by request of Public Works Board.

Brief History:

Committee Activity: Ways & Means: 2/8/05.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Brian Sims (786-7431)

Background: The Public Works Assistance Account provides low interest loans to local governments and special purpose districts for a variety of public infrastructure projects. Eligible projects include the construction or repair of bridges, roads, water and sewer systems, and solid waste and recycling facilities. All local governments except ports and school districts are eligible to receive loans.

Funding for the account comes from taxes and loan repayments. In the 2003-05 biennium about \$180 million in taxes, and about \$130 million in loan repayments are projected revenues for the account. About half of the taxes come from the Real Estate Excise Tax and the remainder comes from the refuse collection tax and public utility tax.

The legislature appropriates funding for the public works projects in the capital budget. However, the legislature must approve a list of prioritized projects prepared by the Public Works Board before the loans are actually granted. In 2003, the legislature appropriated \$261 million for the 2003-05 biennium. In 2004, the legislature approved a loan list totaling \$236 million. The balance of the appropriation was dedicated to pre-construction, planning, and emergency loans that do not require specific legislative approval.

The Public Works Board is requesting a supplemental appropriation of \$155 million to finance the 2005 loan list.

Summary of Bill: Sixty-four public works project loans totaling \$155 million are authorized for the 2005 loan cycle. The projects are in the following categories:

- 28 domestic water projects, \$43.8 million;
- 27 sanitary sewer projects, \$85.5 million;
- five storm water projects, 9.3 million;
- three road projects, \$13.8 million; and
- one solid waste project, \$2.6 million.

Appropriation: None.

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Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

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